

Registered number 05654941

**THE COMPANIES ACTS 1985 TO 2006**

---

**COMPANY LIMITED BY SHARES**

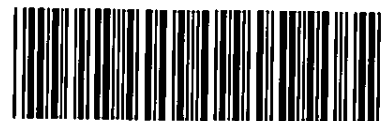
---

**ARTICLES OF ASSOCIATION**

of

**FILM24 LIMITED** (the "Company")

WEDNESDAY



A26

\*AZIY9HZE\*

03/03/2010

69

COMPANIES HOUSE

## CONTENTS

1	<b>Preliminary and interpretation.....</b>	<b>1</b>
2	<b>Private company.....</b>	<b>3</b>
3	<b>Share capital.....</b>	<b>3</b>
4	<b>Ordinary Shares.....</b>	<b>5</b>
5	<b>Preference Shares .....</b>	<b>5</b>
6	<b>Lien .....</b>	<b>7</b>
7	<b>Transfer and transmission of shares.....</b>	<b>7</b>
8	<b>Tag along and drag along rights .....</b>	<b>8</b>
9	<b>General meetings .....</b>	<b>10</b>
10	<b>Proceedings at general meetings.....</b>	<b>11</b>
11	<b>Members' resolution in writing .....</b>	<b>12</b>
12	<b>Votes of members .....</b>	<b>12</b>
13	<b>Directors.....</b>	<b>13</b>
14	<b>Alternates .....</b>	<b>14</b>
15	<b>Powers of Directors.....</b>	<b>14</b>
16	<b>Appointment and retirement of Directors.....</b>	<b>16</b>
17	<b>Disqualification and removal of Directors.....</b>	<b>16</b>
18	<b>Directors' interests.....</b>	<b>16</b>
19	<b>Proceedings of Directors .....</b>	<b>17</b>
20	<b>Dividends.....</b>	<b>18</b>
21	<b>Notices.....</b>	<b>19</b>
22	<b>Indemnity .....</b>	<b>20</b>

**THE COMPANIES ACTS 1985 TO 2006**

---

**COMPANY LIMITED BY SHARES**

---

**ARTICLES OF ASSOCIATION**

**of**

**FILM24 LIMITED** (the "**Company**")

**1 Preliminary and interpretation**

- 1.1 The regulations contained in Table A as they relate to a private company limited by shares shall apply to the Company, except where they are modified or excluded by these articles or are inconsistent with these articles. Subject to any such modifications, exclusions or inconsistencies, Table A shall together with these articles constitute the articles of association of the Company to the exclusion of any other regulations set out in any statute or in any statutory instrument or other subordinate legislation.

- 1.2 Subject to article 1.3, in these articles the following definitions apply.

<i>1985 Act</i>	the Companies Act 1985, as amended or re-enacted from time to time;
<i>2006 Act</i>	the Companies Act 2006, as amended or re-enacted from time to time,
<i>articles</i>	the articles of association of the Company, as amended from time to time;
<i>Business Day</i>	a day other than a Saturday, Sunday or a day on which banks are authorised to close in London;
<i>clear days</i>	in relation to a period of notice or otherwise, that period excluding the day when the notice or other document is received or deemed to be received and the day for which it is given or on which it is to take effect;
<i>communication</i>	includes, but is not limited to, a communication comprising sounds or images or both and a communication effecting a payment;
<i>Companies Acts</i>	the 1985 Act and the 2006 Act;

<i>Director</i>	a director of the Company from time to time,
<i>electronic address</i>	includes, but is not limited to, any number or address used for the purposes of electronic communications,
<i>electronic communication</i>	a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa):  (a) by means of a telecommunication system (within the meaning of the Telecommunications Act 1984), or  (b) by other means but while in an electronic form,
<i>holder</i>	in relation to a share, the member whose name is entered in the register of members as the holder of that share;
<i>Majority Approval</i>	written consent or approval given by a majority of the number of holders of Shares and by the holder or holders from time to time of at least 75 per cent. in nominal value of the issued share capital of the Company conferring the right to attend and vote at general meetings of the Company,
<i>office</i>	the registered office of the Company from time to time;
<i>person with mental disorder</i>	a person who is, or may be, suffering from mental disorder and either  (a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 as amended by the Mental Health Act 2007 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984 as amended by the Mental Health (Care and Treatment) (Scotland) Act 2003; or  (b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a guardian, receiver, curator bonis or other person to exercise powers with respect to his property or affairs;
<i>secretary</i>	any secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary,
<i>signed</i>	means signed in any way and includes any mode of execution and is not limited to being signed, sealed or authenticated;
<i>Table A</i>	Table A in the schedule to the Companies (Tables A - F) Regulations 1985 (SI 1985/805), as amended by the Companies (Tables A - F) (Amendment) Regulations 2007 (SI 2007/2541) and the Companies (Tables A - F) (Amendment) (No.2) Regulations 2007 (SI 2004/2826),
<i>United Kingdom</i>	Great Britain and Northern Ireland; and
<i>Preference Shares</i>	the Preference Shares of £100 each having the rights stated in these articles,

*written or in writing* in writing, or in any way of representing or reproducing words legibly so that they are permanent, and in either hard copy or electronic form.

1.3 In these articles, unless the context otherwise requires:

1.3.1 references to persons include references to natural persons and corporations; and

1.3.2 (unless already defined in these articles) words and expressions defined in such parts of the Companies Acts in force at the date of adoption of these articles shall bear the same meaning in these articles

1.4 In these articles:

1.4.1 the headings are for convenience only and do not affect the construction of these articles,

1.4.2 words denoting the singular include the plural and vice versa; and

1.4.3 words denoting one gender include each gender and all genders

1.5 Where an ordinary resolution of the Company is required for any purpose, a special resolution is also effective for that purpose

## 2 **Private company**

The Company is a private company within the meaning of section 1 of the 1985 Act and accordingly no shares in or debentures of the Company shall be offered to the public (whether for cash or otherwise) and the Company shall not allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

## 3 **Share capital**

3.1 The authorised share capital of the Company is the sum of £796,000 divided into 2,000,000 ordinary shares of £0.01 each and 776,000 Preference Shares of £1.00 each.

3.2 The Ordinary Shares and the Preference Shares constitute different classes of shares but, except as expressly provided in these articles, rank equally with one another in all respects

3.3 Ordinary Shares may be issued on conversion of Preference Shares in accordance with these Articles

- 3.4 Subject as provided in article 3.3, the Company may issue shares (or securities) of any class (or any instrument which may result in shares or securities being allotted or issued) only with Majority Approval and may not issue any shares or securities convertible security, option, warrant or analogous instrument which may result in the requirement to issue any share or other security without Majority Approval.
- 3.5 The Company does not have power to issue share warrants to bearer (but may, with Majority Approval, issue warrants to subscribe for shares)
- 3.6 Subject to the Companies Acts and without prejudice to article 3.7 the Company may
- 3.6.1 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on such terms and in such manner as may be provided by these articles;
- 3.6.2 purchase its own shares (including any redeemable shares) or enter into such agreement (contingent or otherwise) in relation to the purchase of its own shares on such terms and in such manner as may be approved by such resolution as is required by the Companies Acts, and
- 3.6.3 to the extent permitted by section 171 of the 1985 Act, make a payment in respect of the redemption or purchase of any of its shares (including any redeemable shares) otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.
- 3.7 Subject to article 3.4, the Directors (for the purposes of section 80 of the 1985 Act) are generally and unconditionally authorised to allot, grant options over, offer or otherwise deal with or dispose of any unissued share of the Company or right to subscribe for or convert any security into, shares to such persons, at such times and generally on such terms and conditions as they may determine, but subject to any agreement binding on the Company. The authority contained in this article 3.7 shall, unless revoked or varied in accordance with section 80 of the 1985 Act
- 3.7.1 be limited to a maximum nominal amount of shares equal to the amount of the authorised share capital with which the Company is incorporated, and
- 3.7.2 expire on the fifth anniversary of the date of incorporation of the Company but without prejudice to any offer or agreement made before that anniversary which would or might require the exercise by the Directors after such anniversary of their powers in pursuance of this authority.

- 3.8 In exercising their authority under article 3.7 the Directors shall not be required to have regard to sections 89(1) and 90(1) to (6) (inclusive) of the 1985 Act which sections shall be excluded from applying to the Company

## 4 **Ordinary Shares**

### 4.1 *Voting*

Each Ordinary Share confers on its holder the right to attend and speak at general meetings of the Company and to cast a single vote

### 4.2 *Dividends*

Subject to article 5 2, each Ordinary Share in issue from time to time shall share equally in any dividend declared, paid or made in respect of Ordinary Shares.

## 5 **Preference Shares**

### 5.1 *Voting*

The Preference Shares confer no right to attend, speak or vote at general meetings of the Company.

### 5 2 *Dividends*

Each Preference Share in issue from time to time confers on its holder the right to participate in any dividend declared in respect of Ordinary Shares as if the Preference Share (together with all other Preference Shares held by the same Person) had been converted into Ordinary Shares immediately before the dividend was declared.

### 5.3 *Conversion and redemption*

5.3.1 Preference Shares may convert in to Ordinary Shares on the terms of this Article 5 3

5 3 2 Subject to article 5.3.3, the Board may at any time until the Trigger Date by notice to the holders of the Preference Shares:

5 3 2.1 determine that the Preference Shares shall convert in to Ordinary Shares on the basis stated in article 5 3 4, or

5 3.2.2 determine that the Preference Shares shall be redeemed on the basis stated in article 5.3.5.

5 3 3        If the aggregate amount received by the Company on account of subscriptions for shares exceeds £6,500,000 then the holders of the Preference Shares may serve notice on the Board requiring the Board to exercise the discretion conferred by article 5.3.2. If the Board has not exercised that discretion one month of the date of the notice served in accordance with this article 5 3 3 the Preference Shares shall on that date automatically convert in to Ordinary Shares on the basis stated in article 5.3.4. Any director who holds Preference Shares or who is appointed by (or otherwise represents) a person who holds Preference Shares shall abstain from the exercise of the discretion conferred by article 5.3.2.

5 3 4        Each Preference Share shall on conversion convert in to Ordinary Shares on the basis of one Ordinary Share for one Preference Share unless any of the following have occurred in which case the number of Ordinary Shares issued for each Preference Share shall be adjusted by the Board in a manner determined to ensure that the holders of Preference Shares are not disadvantaged as a result of the relevant occurrence

5 3 4 1       an allotment or issue of shares in the Company by way of capitalisation of profits or reserves to holders of shares in the Company,

5.3.4.2       a cancellation or purchase of shares in the Company or a reduction or repayment of share capital or reserves,

5 3 4 3       the creation of a new class of shares, securities or stock; or

5.3.4 4       a sub-division, consolidation or redesignation of shares in the Company

5 3 5        On redemption, the Company shall pay to each holder of the Preference Shares in respect of each Preference Share held by that holder an amount equal to £1 (being the nominal value of the Preference Share) plus interest on the aggregate amount so paid to that holder calculated from the date of subscription to the date of redemption at an annual rate of 10% of the nominal value of the Preference Share, compounded annually and calculated daily on the basis of a 365 day year.



On a return of capital (whether as a result of liquidation or otherwise, but not on the redemption or the purchase by the Company of its own shares) the assets of the Company available for distribution amongst its members shall be applied as if each Preference Share had then been converted in to Ordinary Shares on the basis stated in article 5 3 4.

## **6 Lien**

The lien conferred by regulation 8 of Table A shall also attach to fully paid up shares registered in the name of any person indebted or under liability to the Company whether he shall be the sole registered holder of such shares or one of two or more joint holders.

## **7 Transfer and transmission of shares**

7 1 Subject to the provisions of article 7 4 the Directors may, in their absolute discretion and without assigning any reason, decline to register any transfer of any share, whether or not it is a fully paid share. The Directors may also refuse to register a transfer unless the instrument of transfer

7.1.1 is delivered to the office or such other place as the Directors may decide and is accompanied by the certificate for the shares to be transferred and such other evidence as the Directors may reasonably require to prove the title of the transferor and the execution by him of the transfer or, if the transfer is signed by some other person on his behalf, the authority of that person to do so;

7.1.2 is in respect of only one class of shares,

7.1.3 is in favour of not more than four transferees; and

7 1 4 is duly stamped (if required)

7.2 No share shall be transferred to any infant, bankrupt or person with mental disorder.

7.3 The Directors may at any time give notice requiring a person becoming entitled to a share in consequence of the death or bankruptcy of a member, to elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If the notice is not complied with within 90 days the Directors may after such time withhold payment of all dividends and other monies payable in respect of the share until the requirements of the notice have been complied with.

- 7 4      Subject to a transfer complying with those matters set out in articles 7.1 1 to 7 1.4 the Directors may not decline to register a transfer of a fully paid share which is approved by Majority Approval

## 8      **Tag along and drag along rights**

- 8 1      Notwithstanding any other provision of these Articles, no sale or transfer of the legal or beneficial interest in any shares of the Company may be made or validly registered if as a result of the sale or transfer and registration of those shares a person would acquire or increase an interest in shares conferring in the aggregate more than 50% of the total voting rights conferred by all the Company's issued shares (a "**Controlling Interest**") unless:

8 1.1      before the sale or transfer is made and validly registered the proposed transferee or his nominee has made, an offer (stipulated to be open for acceptance for at least 21 days) to purchase in cash all the Company's issued shares (including any shares which may be allotted during the offer period or upon the offer becoming unconditional pursuant to the exercise or conversion of options or rights to subscribe for or securities convertible into shares, in existence at the date of such offer) at the highest price per share paid in cash or otherwise by the proposed transferee for any of the shares forming a part of the Controlling Interest (each offeree may during the period for which the offer remains open for acceptance, accept or reject the offer by notice in writing and each recipient shall if he has not previously accepted the offer be deemed to have rejected the offer on the day following the last day for acceptance of the offer); and

8.1.2      at the same time as the sale or transfer is made or registered each such accepted offer is completed and the consideration due paid (except insofar as failure to complete is due to the fault of the offeree).

- 8 2      For the purpose of Article 8 1 the expressions "**transfer**" and "**transferee**" include respectively the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment, and reference to a person or any actual or proposed transferee includes all persons acting in concert or who are under common control (as control is defined in section 840 of the Income and Corporations Tax Act 1988) with that person (or transferee).

- 8 3      If holders of 70% or more in nominal value of the Company's shares in issue from time to time (the "**Selling Shareholders**") wish to transfer all their interest in shares of the

Company to a bona fide third party purchaser on an arm's length basis (the "**Third Party Purchaser**") the Selling Shareholders may, by giving written notice (the "**Drag-Along Notice**") to the other holders of shares in the Company, require all other holders of shares in the Company (the "**Dragged Shareholders**") to sell and transfer all their shares in the Company (with full title guarantee and free from all encumbrances) to the Third Party Purchaser (or as the Third Party Purchaser directs) for an amount of cash consideration per share which is no less than the maximum amount paid (or agreed to be paid) in cash or otherwise by the Third Party Purchaser (or any person acting in concert or who is under common control (as control is defined in section 840 of the Income and Corporations Tax Act 1988) with the Third Party Purchaser) to any of the Selling Shareholders for any shares of the Company (the "**Dragged Price per Share**" which shall be the same for all Dragged Shareholders) The Drag-Along Notice must specify that the Dragged Shareholders are required to transfer all their shares in the Company, the person to whom they are to be transferred, the Dragged Price per Share and the proposed date of transfer being at least 21 days after the date of the Drag-Along Notice ("**Completion**").

- 8.4 A Drag-Along Notice is irrevocable but the Drag-Along Notice and all obligations under it will lapse if for any reason there is not a sale of shares by the Selling Shareholders to the Third Party Purchaser within 42 days after the date of the Drag-Along Notice. If a Drag-Along Notice lapses the Selling Shareholders shall be entitled to give a further Drag-Along Notice or Notices either in respect of the same Third Party Purchaser or otherwise (and more than one Drag-Along Notice may apply at an time)
- 8.5 After a Drag-Along Notice has been served and before it has lapsed no Dragged Shareholder may transfer any shares in the Company held by him other than in accordance with the Drag-Along Notice or subject to the transferee agreeing to abide by the terms of the Drag-Along Notice as if it had been served on him at the same time as it was served on the transferring Shareholder.
- 8.6 The Dragged Shareholders shall be obliged to sell each of the shares in the Company held by them to the Third Party Purchaser on the terms set out in this Article 8.
- 8.7 Upon any person, following the issue of a Drag-Along Notice, becoming a member of the Company whether by transmission, pursuant to exercise of a pre-existing option or otherwise (a "**New Member**"), a Drag-Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag-Along Notice and the New Member shall be bound to sell and transfer all the shares acquired by him to the Third Party Purchaser (or as the Third Party Purchaser may direct) on the same terms as each other Dragged Shareholder.

8.8 Completion of the sale of the Dragged Shares shall take place on the same date as the date of completion of the sale of the Selling Shareholders' Shares unless:

8.8.1 the relevant Dragged Shareholder and the Third Party Purchaser agree otherwise, or

8.8.2 that date is less than 14 days after the Drag-Along Notice was served (or deemed served), in which case it shall unless the Dragged Shareholder consents to this provision being waived) be deferred until the fourteenth day after the Drag-Along Notice was served (or deemed served).

8.9 If any holder of Shares does not on completion of the sale of Dragged Shares execute transfer(s) in respect of the Dragged Shares held by him a director of the Company shall be irrevocably entitled to and shall authorise and instruct such person as he shall think fit to execute necessary transfer(s) (and, if required by the Third Party Purchaser, a power of attorney in a reasonable form so as to enable the Third Party Purchaser or his nominee to exercise all rights of ownership in respect of the relevant Dragged Shares pending registration of their transfer) on his behalf and against receipt by the Company (on trust for such member) of the purchase monies for the Dragged Shares deliver such transfer(s) to the Third Party Purchaser (or as he may direct) and register the Third Party Purchaser (or as he may direct) as the holder thereof and, after the Third Party Purchaser (or his nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person.

## **9 General meetings**

9.1 General meetings shall be called by at least 14 clear days' notice.

9.2 A general meeting may be called by shorter notice if it is so agreed by a majority in the number of members having a right to attend and vote, being a majority together holding not less than 90 per cent in nominal value of the shares giving that right.

9.3 The notice shall specify the date, time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such

9.4 Subject to these articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the Directors and auditors of the Company.

**10 Proceedings at general meetings**

- 10.1 No business shall be transacted at any meeting unless a quorum is present. Save in the case of a company with a single member, two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.
- 10.2 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine
- 10.3 The chairman, if any, of the board of Directors or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the chairman nor such other Director (if any) be present within thirty minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman, and, if there is only one Director present and willing to act he shall be chairman.
- 10.4 If no Director is willing to act as chairman, or if no Director is present within thirty minutes after the time appointed for holding the meeting, the members present and entitled to vote shall chose one of their number to be chairman.
- 10.5 Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative, or by proxy unless the proxy (in either case) or the representative is himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is holder.
- 10.6 A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote at the meeting.
- 10.7 If within hour after the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting
- 10.7.1 if convened upon the requisition of members, shall be dissolved, or
- 10.7.2 if convened otherwise than upon the requisition of members, shall stand adjourned until the same day in the next week at the same time and place or such other day, time and place as the Directors may determine, and if at the

adjourned meeting a quorum is not present or ceases to be present then the member or members present shall be a quorum.

10.8 A Director shall, notwithstanding that he is not a member, be entitled to receive notices of and attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

10.9 If the Company only has one member and such member takes any decision which may be taken by the Company in general meeting and which has effect as if agreed by the Company in general meeting, then such member shall (unless that decision is taken by way of a written resolution made pursuant to sections 288 to 300 of the 2006 Act) provide the Company with a written record of that decision.

10.10 In the case of an equality of votes whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote

## **11 Members' resolution in writing**

11.1 In addition to the provisions of sections 288-300 of the 2006 Act, a resolution in writing signed by or on behalf of all the members of the Company who would have been entitled to vote on it if it had been proposed at a general meeting at which he was present

11.1.1 is as valid and effective as a resolution passed at a general meeting of the Company duly convened and held, and

11.1.2 may consist of several documents in the same form each signed by or on behalf of one or more of the members and execution in the case of a corporation which is a member shall be sufficient if made by an officer of such corporation or other person authorised so to execute.

## **12 Votes of members**

12.1 The appointment of a proxy shall be in writing signed by or on behalf of the appointor (or, if a corporation, signed under its seal or signed by an officer of the corporation or other person authorised so to sign) and shall be in such form as the Directors may determine or, failing such determination, in any usual form.

12.2 The appointment of a proxy shall not be valid and the proxy named in it shall not be entitled to vote at the meeting unless the appointment of the proxy, together with any authority under which it is signed or a copy of such authority certified notarially or in some other way approved by the Directors:

12.2.1 is received at the office (or such other place within the United Kingdom as is specified in the notice convening the meeting or in any form of appointment of proxy sent out by the Company in relation to the meeting) at least two business days before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, or

12.2.2 in the case of an appointment contained in an electronic communication, where an electronic address has been specified for the purpose of receiving electronic communications.

12.2.2.1 in the notice convening the meeting, or

12.2.2.2 in any form of appointment of proxy sent out by the Company in relation to the meeting, or

12.2.2.3 in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting,

is received at such electronic address at least two business days before the time fixed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in the appointment proposes to vote, or

12.2.3 in the case of a meeting adjourned for less than 28 days but more than two business days or in the case of a poll taken more than two business days after it is demanded, is received as specified in article 12.2.1 at least one business day before the time fixed for the holding of the adjourned meeting or the taking of the poll, or

12.2.4 in the case of a meeting adjourned for not more than 48 hours or in the case of a poll not taken immediately but taken not more than 48 hours after it is demanded, is received by the chairman or the secretary or a Director at the meeting at which the poll is demanded

## **13 Directors**

The number of the Directors shall be determined by the Company in general meeting but unless and until so determined there shall be no maximum number of Directors and the minimum number of Directors shall be one

## **14 Alternates**

- 14.1 A Director may by notice in writing sent to the office, or delivered at a meeting of the Directors, appoint another Director or any other person approved by the Directors and willing to act to be his alternate and may in like manner terminate such appointment.
- 14.2 The appointment of an alternate shall determine on the happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor ceases to be a Director
- 14.3 An alternate is (subject to his giving to the Company an address or electronic address at which notice may be sent to him) entitled to notice of meetings of the Directors and of all meetings of committees of Directors of which his appointor is a member and to attend, speak and vote as a Director at any such meeting at which the Director appointing him is absent and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting these articles shall apply as if he (instead of his appointor) were a Director.
- 14.4 If an alternate shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative
- 14.5 If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability, the execution by an alternate of any resolution in writing of the Directors shall be as effective as the execution by his appointor.
- 14.6 An alternate shall not (save as provided in this article 14) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these articles, but he shall be an officer of the Company, he alone shall be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him
- 14.7 An alternate shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent, so far as applicable, as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct

## **15 Powers of Directors**

- 15.1 Subject to the provisions of the Companies Acts, the memorandum and these articles and to any directions given by special resolution, the business of the Company shall be



managed by the Directors who may exercise all the powers of the company. No alteration of the memorandum or these articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article 15.1 shall not be limited by any special power given to the Directors by these articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

- 15.2 The Directors may establish, maintain, participate in or contribute to or procure the establishment or maintenance of, participation in or contribute to any pension, or superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, benefits and emoluments to, any persons who are or were at any time in the employment or service of or who have at any time been Directors of the Company, or of any undertaking which is or was a subsidiary undertaking of the Company or allied to or associated with the Company or any such subsidiary undertaking, or of any of the predecessors in business of the Company or any such other undertaking and the spouses, civil partners, surviving spouses, surviving civil partners, families and dependants of any such person and make payments to, for or towards the insurance of or provide benefits otherwise for any such persons. Any Director or former Director shall be entitled to participate in and retain for his own benefit any such donations, gratuities, pensions, allowances, benefits or emoluments

- 15.3 Subject to the Companies Acts, the Directors shall have power to purchase and maintain insurance at the expense of the Company for or for the benefit of any persons who are or were at any time

15.3.1 directors, officers, employees or auditors of the Company or of any other company which is its holding company, or in which the Company or its holding company has any interest whether direct or indirect, or which is in any way allied to or associated with the Company or its holding company, or of any subsidiary undertaking of the Company or of such other company;

15.3.2 trustees of any pension fund in which employees of the Company or of any other such company or subsidiary undertaking are interested,

including (without limitation) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported exercise, execution and/or discharge of their powers or duties and/or otherwise in relation to their duties, powers or offices in relation to the Company or any other such company, subsidiary undertaking or pension fund.

## **16 Appointment and retirement of Directors**

- 16.1 The Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director and may also determine any rotation in which any additional Directors are to retire.
- 16.2 The Directors may appoint a person, who is willing to act to be a Director either to fill a vacancy or as an additional Director provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these articles as the maximum number of Directors.
- 16.3 The Directors shall, if so required by Majority Approval appoint or remove any person as a Director.

## **17 Disqualification and removal of Directors**

- 17.1 The office of a Director shall be vacated if.
- 17.1.1 he ceases to be a Director by virtue of the Companies Acts or he becomes prohibited by law from being a Director, or
  - 17.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally, or
  - 17.1.3 he is a person with mental disorder; or
  - 17.1.4 he resigns his office by notice sent to the Company; or
  - 17.1.5 he is removed from office under section 168 of the 2006 Act or by special resolution of the Company, or
  - 17.1.6 he is removed from office by Majority Approval being given to the Board (which removal shall be treated as an act of the Company); or
  - 17.1.7 notice in writing signed by or on behalf of each of the other Directors removing him from office is received at the office (which removal shall be treated as an act of the Company).

## **18 Directors' interests**

- 18.1 A Director who is in any way either directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company:

18.1.1 shall declare the nature of his interest at a meeting of the Directors in accordance with the Companies Acts, and

18 1 2 subject to such disclosure, shall be entitled to vote in respect of any contract or arrangement in which he is interested and if he shall do so his vote shall be counted and he may be taken into account in ascertaining whether a quorum is present.

## **19 Proceedings of Directors**

19.1 Subject to these articles, the Directors may regulate their proceedings as they think fit

19.2 A Director may, and, on the request of a Director any secretary shall, call a meeting of the Directors.

19.3 It shall be necessary to give a notice of a meeting of the Directors to all the Directors and notice is treated as duly given to a Director if it is given to him personally, by word of mouth or sent to him by whatever means at his last known address or at another address or an electronic address from time to time notified by him to the Company for this purpose. A Director may waive the requirement that notice be sent to him of a board meeting either prospectively or retrospectively. It shall not be necessary to send notice of a meeting of the Directors to any Director absent from the United Kingdom save in any case where such absent Director leaves an address (either inside or outside the United Kingdom) or an electronic address for the purpose in which case a notice sent to that address or contained in an electronic communication sent to such electronic address shall be deemed to constitute notice to the Director at the time when it is sent

19 4 Neither the accidental failure to send notice of a meeting of the Directors to any Director nor the non-receipt in any case of such notice if sent shall invalidate the meeting or any resolution passed or business transacted at the meeting.

19 5 In the event that the Company has more than one Director, the quorum for the transaction of the business of the Directors shall be two Directors. In the event that the Company has a sole Director such person may pass resolutions of a sole Director whether written or at a meeting attended by himself with or without any other person. A person who holds office only as an alternate shall, if his appointor is not present, be counted in the quorum. When one Director only is in office he shall have and may exercise all the powers and authorities in and over the affairs of the Company as are conferred on the Directors by these articles.

19.6 Questions arising at a meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.

- 19.7 A resolution in writing signed by or on behalf of each of the Directors (including a sole Director) entitled to notice of a meeting of Directors or of a committee of Directors shall be as valid and effective as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the same form each duly signed by or on behalf of one or more Directors; but a resolution signed by an alternate need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate, it need not be signed by the alternate in that capacity.
- 19.8 A Director may participate in a meeting of the Directors or (as the case may be) a committee of Directors, through the medium of a telephone conference, video conference, live webcast or similar form of communication equipment notwithstanding that the persons participating may not all be meeting in one place if all those participating can hear and speak to each other throughout the meeting. A Director participating in this way is deemed to be present in person at the meeting, is counted in the quorum and is entitled to vote. A resolution passed by the Directors at such a meeting shall be as valid as it would have been if passed at an actual meeting duly convened and held.

## **20 Dividends**

- 20.1 Subject to the provisions of the Companies Acts, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Directors
- 20.2 Subject to the provisions of the Companies Acts, the Directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the Directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The Directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of any interim dividend on any shares having deferred or non-preferred rights
- 20.3 The Directors may deduct from any dividend payable on or in respect of a share all sums of money presently payable by the holder to the Company on any account whatsoever

20.4 Any dividend unclaimed after a period of three years from the date when it became due for payment shall be forfeited and cease to remain owing by the Company.

20.5 The Directors are authorised to direct in respect of any dividend (including, without limitation, an interim dividend) that it shall be wholly or partly satisfied by the distribution of assets and in doing so may discriminate as between members with regard to whether or not payment of a dividend will be satisfied by the distribution of assets and, if so, the nature or type of assets to be distributed. The provisions of regulation 105 of Table A shall not apply.

## 21 **Notices**

21.1 A notice or other document or information to be sent to or by any person under these articles (other than a notice calling a meeting of the Directors or of a committee of the Directors) shall be in writing or shall be sent using electronic communication to an electronic address for the time being notified for that purpose to the person sending the notice or other document or information. Notice or other document or information may be sent personally or by letter or (if appropriate) using electronic communication.

21.2 Without prejudice to the foregoing, the Company may send or supply a notice or any other document or information that is required or authorised to be sent or supplied, to a member or any other person, by the Company, by any provision of the Companies Acts, or pursuant to these articles or to any other rule or regulation to which the Company may be subject, in electronic form or by making it available on a website, and the provisions of Schedule 5 to the 2006 Act shall apply, whether or not any such notice, document or information is required or authorised by the Companies Acts to be sent or supplied.

21.3 The address for service of the Company shall be the office or such other place as the Directors may appoint. The address for service of each member shall be his address in the register of members within the United Kingdom or such other address for service within the United Kingdom as the addressee may from time to time notify to the Company for the purposes of this article. 21.3 In the absence of such address or electronic address the member shall not be entitled to receive from the Company notice of any meeting or other document or information.

21.4 In the case of joint holders of a share, a notice or other document or information shall be sent to the joint holder whose name stands first in the register of members in respect of the joint holding and notice or other document or information so sent shall be sufficiently sent to all the joint holders.

21.5 Notices or other documents or information will be deemed to be received:

- 21.5.1 if personally delivered, at the time of delivery and, in proving service, it shall be sufficient to produce a receipt for the notice or other document or information signed by or on behalf of the addressee;
- 21.5.2 if by letter, at noon two Business Days after such letter was posted and, in proving service, it shall be sufficient to prove that the letter was properly prepaid or stamped first class, addressed and delivered to the postal authorities, and
- 21.5.3 if by electronic communication to an electronic address, on the same day it is sent and, in proving service, it shall be sufficient to prove that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators from time to time.

## **22 Indemnity**

Subject to the provisions of the Companies Acts, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that this article 22 shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this article 22, or any element of it, to be treated as void under the Companies Acts. Regulation 118 of Table A shall not apply.